



Notice

17 May 2024

Review of the effectiveness of the Synergy regulatory scheme – 2023

Publication of report

The Economic Regulation Authority has published its [2023 review](#) of the effectiveness of Synergy's regulatory scheme.

The Electricity Generation and Retail Corporation (EGRC) regulatory scheme was implemented in 2014 following the merger of State-owned generator Verve Energy and retailer Synergy. The EGRC scheme aims to promote a level playing field and curtail Synergy's potential exercise of market power as the dominant generator and retailer in the Wholesale Electricity Market (WEM).

The ERA considered the relevance and focus of the EGRC scheme in the context of the new WEM, which commenced in October 2023, as well as ongoing market reforms and the State Government's decarbonisation goals. The ERA also considered feedback from stakeholders.

The ERA provided the Minister for Energy with three recommendations to improve the effectiveness of the EGRC scheme. Removing elements of the EGRC scheme that do not provide benefits will reduce regulatory complexity and lower administration and compliance costs. Enhancing other elements will increase the value the EGRC scheme delivers and better meet its purpose to support competition as the market evolves.

Background

The ERA reports to the Minister for Energy every two years on how effectively the scheme achieves its intended purpose.

On 15 September 2023, the ERA published a [discussion paper](#) for stakeholder feedback. The ERA received six submissions.

On 6 December 2023, the ERA submitted its report to the Minister for Energy. On 14 May 2024, the Minister for Energy tabled the ERA's report in both Houses of Parliament.

Further information

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